

City of Alexandria, Virginia

MEMORANDUM

DATE: FEBRUARY 18, 2015

TO: MEMBERS OF THE TRANSPORTATION COMMISSION

FROM: SANDRA MARKS, DEPUTY DIRECTOR, T&ES

SUBJECT: AGENDA ITEM #5 - POTOMAC YARD METRORAIL STATION UPDATE

ISSUE: Staff update to Transportation Commission on the Potomac Yard Metrorail Station Environmental Impact Statement (EIS).

RECOMMENDATION: That the Commission receive the staff update.

BACKGROUND: The City is evaluating potential locations for an infill Metrorail station along the Blue and Yellow lines between the National Airport and Braddock Road Metrorail stations to serve Potomac Yard. A Metrorail station in the vicinity of Potomac Yard has been included in various plans over the years, including the *Potomac Yard/Potomac Greens Small Area Plan* (1999), the *Transportation Master Plan* (2008), and the *North Potomac Yard Small Area Plan* (2010).

Concurrently with the planning process for North Potomac Yard, the City and the Washington Metropolitan Area Transit Authority (WMATA) collaborated to identify, examine, and screen potential locations for a Potomac Yard Metrorail Station. The *Potomac Yard Metrorail Station Concept Development Study* (2010) analyzed eight potential station locations. The study ultimately recommended further examination of three of the alternatives initially examined. The current Alternative A and Alternative B being examined as part of the current National Environmental Policy Act (NEPA) process are roughly equivalent to the alternatives in the *Concept Development Study* that were recommended for further examination.

The final adopted *North Potomac Yard Small Area Plan* included a requirement for developer contributions to support the funding of the station location shown in the plan (approximately the location of the current Alternative B). The density, height, and land uses in the plan were based on the provision of a Metrorail station. If a Metrorail station is not built in a location at or near the location shown in the plan, then the allowed redevelopment density in North Potomac Yard would decrease from 7.5 million square feet to 3.7 million square feet.

DISCUSSION: The City is currently completing an Environmental Impact Statement as part of the NEPA process. The NEPA process is required for the Metrorail Station project to maintain eligibility for federal financing because some of the alternatives may affect the George Washington Memorial Parkway (GWMP), which is administered by the National Park Service (NPS). The agencies involved in the project include the City as the project sponsor and joint lead

agency; the Federal Transit Administration (FTA) as the lead federal agency, because the City will be seeking federal transportation funding for a portion of the project; WMATA as a cooperating agency because they would operate the station; and NPS as a cooperating agency because of its role in administering the GWMP.

Status of the Draft Environmental Impact Statement

The Environmental Impact Statement is currently under review by FTA and NPS. Once our federal partners have determined that the document is ready for public release, the document will be made available to the public online, with hard copies available for review at City public libraries and City Hall. The public comment period will last approximately two months, with City Council selection of the preferred alternative in the spring.

Public and Stakeholder Coordination

Over the next several months, staff will coordinate with the public, City commissions and committees, and Council to enable robust discussions about the benefits and impacts of the alternatives before council makes a decision regarding the preferred alternative. Staff recognizes that this will be an intense period of public involvement, and is committed to strategies that will enable the conversations necessary to keep the project moving forward. Public input is integral to the process, and input received over the past several years has helped shape the project up to this point. During the public comment period, input received from the public will help to shape the staff recommendation and incorporated into the final Environmental Impact Statement.

The outreach for the Draft Environmental Impact Statement will be structured in stages:

- Prior to the release of the statement, staff will provide updates to key commissions and committees, and will be available to attend civic association meetings by request. The focus will be on making sure participants understand the process and providing a high-level overview of key issues.
- During the first month that the draft statement is available for public review, the focus will be on helping participants understand the details of the document. During this period, the City will hold several “Community Education and Discussion Workshops” which will offer the opportunity for the public to ask detailed questions about the analysis. Each workshop will focus on five to six topic areas, so attendees can learn more about the issues that concern or interest them.
- During the second month of the statement review, the staff recommendation for the preferred alternative will be released and the focus will shift to public discussion and comment on the recommendation.
- After the close of the comment period on the Draft Environmental Impact Statement, City Council will choose the preferred alternative.

Two public hearings will be held during the comment period. One will satisfy the requirements of NEPA and the WMATA Compact, while the other will be a City hearing before City Council.

Opportunities for Comment

The public comment period for the Draft Environmental Impact Statement will last approximately two months, starting with the public release of the document and ending

approximately 10 days following the NEPA/WMATA Compact public hearing. During this period, there will be multiple opportunities to comments on the Draft Environmental Impact Statement, both in writing and in person, including:

- Emails to comments@potomacyardmetro.com
- Letters to Potomac Yard Metrorail Station EIS
P.O. Box 16531
Alexandria, VA 22302
- Comment cards provided at public meetings
- Statements made at the City and NEPA/WMATA Compact public hearings

Members of the public are encouraged to comment specifically on elements or issues that concern them. These comments can influence the details of the preferred alternative, as well as the way the preferred alternative is refined during development of the Final Environmental Impact Statement.

Next Steps

Following selection of a preferred alternative by City Council, work will begin on the Final Environmental Impact Statement. The final statement will refine the preferred alternative and include a more detailed evaluation of the preferred alternative and the No Build Alternative. During this process, the preferred alternative can be modified to mitigate adverse effects. The Final Environmental Impact Statement will identify ways to avoid, minimize, or mitigate adverse impacts.

Following completion of the Final Environmental Impact Statement, FTA and NPS will each issue a Record of Decision. The decision will present the basis for the decision, specify the “environmentally preferable alternative,” and detail the commitments made to avoid, minimize, or mitigate the adverse impacts. Once the Record of Decision has been issued, WMATA will engage a design-build team to design and construct the station.

Metrorail Station Funding Sources

Capital and operating expenses for the Potomac Yard Metrorail Station will be funded using revenue generated by new development in Potomac Yard, and in the case of Alternative B, substantial developer contributions. The City has created the Potomac Yard Metrorail Station Fund to account for and manage the revenues collected for the station. Proceeds from the Fund are used solely for the planning, design, construction, and financing of the station and related infrastructure. Proceeds from the Fund are accounted for separately from other City revenues. Revenue for the Fund comes from:

- Net new tax revenues generated by Potomac Yard development (beyond taxes to pay for City and school services);
- Two special tax districts in Potomac Yard¹; and
- Developer contributions

The financing plan does not rely on the City’s General Fund, and in later years tax revenue from Potomac Yard will substantially exceed annual debt service. Other potential opportunities for

¹ North Potomac Yard special tax district levy initiated. South Potomac Yard special tax district levy to be initiated after the Potomac Yard Metrorail Station opens for service.

federal or state funding include loans through the Transportation Infrastructure Financing Innovation Act (TIFIA) and Northern Virginia Transportation Authority 70 percent funding.

In January, the Commonwealth Transportation Board voted to approve a \$50 million loan from the Virginia Transportation Infrastructure Bank (VTIB) for construction of the station. This loan represents recognition at the state level of the importance of the Potomac Yard Metrorail Station for both its mobility and economic development benefits. The loan has favorable terms which reduce the cost of borrowing over the long-term for the City.